

By: Paxton

S.B. No. 637

A BILL TO BE ENTITLED

AN ACT

relating to notice and election order requirements for bond approval elections held by political subdivisions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 3, Election Code, is amended by adding Section 3.009 to read as follows:

Sec. 3.009. CONTENTS OF DEBT OBLIGATION ELECTION ORDER.

(a) In this section, "debt obligation" means an issued public security, as defined by Section 1201.002, Government Code, that is secured by ad valorem taxes.

(b) The document ordering an election to authorize a political subdivision to issue debt obligations must distinctly state:

(1) the proposition language that will appear on the ballot;

(2) the purpose for which the debt obligations are to be authorized;

(3) the principal amount of the debt obligations to be authorized;

(4) that taxes sufficient to pay the annual principal of and interest on the debt obligations may be imposed;

(5) a statement of the estimated tax rate if the debt obligations are authorized or of the maximum interest rate of the debt obligations or any series of the debt obligations, based on the

1 market conditions at the time of the election order;

2 (6) the maximum maturity date of the debt obligations  
3 to be authorized or that the debt obligations may be issued to  
4 mature over a specified number of years not to exceed 40;

5 (7) the aggregate amount of the outstanding principal  
6 of the political subdivision's debt obligations as of the beginning  
7 of the political subdivision's fiscal year in which the election is  
8 ordered;

9 (8) the aggregate amount of the outstanding interest  
10 on debt obligations of the political subdivision as of the  
11 beginning of the political subdivision's fiscal year in which the  
12 election is ordered; and

13 (9) the ad valorem debt service tax rate for the  
14 political subdivision at the time the election is ordered,  
15 expressed as an amount per \$100 valuation of taxable property.

16 SECTION 2. Section 4.003, Election Code, is amended by  
17 adding Subsection (f) to read as follows:

18 (f) A debt obligation election order required under Section  
19 3.009 shall be posted:

20 (1) on election day and during early voting by  
21 personal appearance, in a prominent location at each polling place;

22 (2) not later than the 21st day before the election, in  
23 three public places in the boundaries of the political subdivision  
24 holding the election; and

25 (3) during the 21 days before the election, on the  
26 political subdivision's Internet website, prominently and together  
27 with the notice of the election and the contents of the proposition,

1 if the political subdivision maintains an Internet website.

2           SECTION 3. The changes in law made by this Act apply only to  
3 an election ordered on or after the effective date of this Act. An  
4 election ordered before the effective date of this Act is governed  
5 by the law in effect when the election was ordered, and the former  
6 law is continued in effect for that purpose.

7           SECTION 4. This Act takes effect September 1, 2013.